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**IDAHO INDUSTRIAL COMMISSION
90 DAY FOLLOW-UP**

On December 11, 2009, the Legislative Services Office released a management report for the Idaho Industrial Commission for fiscal years 2006, 2007, and 2008. The Commission was contacted on March 16, 2009, and this report addresses how it has responded to the one finding and recommendation contained in that report.

FINDING #1

The cash balance in the Industrial Administration Fund exceeds the current annual expenditures by nearly \$7 million.

We recommend that the Commission initiate a dialog with executive and legislative leadership to reduce the surplus cash balance in the Industrial Administration Fund through the adjustment of program services, premium tax rates, or other measures.

AUDIT FOLLOW-UP

The Commission contacted legislative leadership regarding the excess cash balance as recommended. It was determined that the best approach to address the excess cash balance and handle the Industrial Administration Fund long term was to establish a committee to study the issue and then make recommendations to the Commission. The Commission will report the committee's proposed actions to the legislature in the next legislative session. The proposed committee would consist of members from the legislature, workers compensation sureties, business lobbyists, and Department of Insurance representatives.

STATUS – CLOSED